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ABSTRACT

This document contains three papers from a symposium on standards and certification in human resource development (HRD). "Implementing Management Standards in the UK" (Jonathan Winterton, Ruth Winterton) reports on a study that explored the implementation of management standards in 16 organizations and identified 36 key themes and strategic issues regarding the following areas: setting objectives in adopting standards; embedding standards; implementing standards; identifying competence needs and assessing competence; delivering management development; using and evaluating standards; determining standards' impacts and benefits; and addressing problems in adopting standards. "The Applicability of AHRD Ethics Standards Internationally" (Lisa A. Garrett, Gary N. McLean) explores the theory-building literature on ethics standards and global application of ethics codes and discusses the problems inherent in attempting to apply ethical standards that are applicable in one culture to other cultures. "Nature and Impact of ISO (International Standards Organization) Certification on Training and Development Activities in Singapore Organizations" (Hesan A. Quazi, Ronald L. Jacobs) identifies and discusses significant changes in HRD activities in organizations in Singapore's manufacturing sector that occurred after adoption of the ISO 9001/9002 standards. All three papers contain substantial bibliographies. (MN)

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Implementing Management Standards in the UK

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An increasing number of organisations in the UK are adopting competence and competency frameworks, including Management Standards, to structure management development. This paper reports on a study exploring the implementation of Standards in sixteen organisations, undertaken on behalf of the Inland Revenue and Customs and Excise, where Management Standards were subsequently embedded in those organisations' HRD systems and processes.

Keywords: Management Development, Management Standards, HRD Systems

The authors were commissioned by the Inland Revenue (IR) to undertake a series of case studies investigating the use of standards in management development within organisational contexts. During 2000, the IR and HM Customs & Excise (C&E) had piloted contextualised versions of the Management Standards developed by the Management Charter Initiative (MCI), with a view to their implementation throughout their organisations.

On the recommendation of the Handy Report (Handy *et al*, 1987), the MCI was established in 1988 as the operating arm of the National Forum for Management Education and Development (Constable, 1991). The MCI was recognised as the lead body for management and developed a generic set of occupational standards relating to areas of activity in managers need to be competent (Miller, 1991). Standards were developed for supervisory management (level 3), first line management (level 4) and middle management (level 5). The M3 standards for senior managers, first drafted by MCI in February 1995, focused on strategic issues. As with other occupational standards, functional analysis was used to produce a framework of management competences, from which the occupational standards for managers were developed. The Management Standards were mapped to VQ (NVQ and SVQ) criteria to fit the new framework of vocational qualifications, so the M1S Supervisory Management Standards equate to VQ level 3, while M2 Middle Management Standards equate to VQ level 5.

Like all occupational standards, the Management Standards were developed through functional analysis of management activities in a variety of contexts (Mansfield and Mitchell, 1996). The Standards defined key roles, and in the case of the M1 standards, for example, there were four key management roles:

- manage operations
- manage finance
- manage people
- manage information.

Each key role was broken down into a number of *units of competence*; the 'manage people' role, for example, comprised four units:

- contribute to the recruitment and selection of personnel
- develop teams, individuals and self to enhance performance
- plan, allocate and evaluate work carried out by teams, individuals and self
- create, maintain and enhance effective working relationships.

Each unit was in turn further sub-divided into *elements of competence*; the second of the above units, for example, was broken down into three ele ments:

- develop and improve teams through planning and activities
- identify, review and improve development activities for individuals
- develop oneself with the job role.

For each element of competence, *performance criteria* were defined which form the basis of assessment and *range indicators* were provided for guidance.

The Management Standards were reviewed in 1996 and as a result revised Standards were published in 1997

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(Boutall, 1997). Firstly, the Standards were re-written in a more appropriate and accessible language free from jargon. Secondly, the revision created *two* sets of Standards: the Vocational Qualifications Version relates to individuals as before, while the Business User Version relates to organizations. The two versions constitute an integrated whole in order to promote complementarity between individual and organizational needs for development. A system of core units and options was also introduced in order to make the Standards more flexible and easier to apply in different organizational contexts. Also, in place of the four key roles, there are now seven:

- manage activities
- manage resources
- manage people
- manage information
- manage energy
- manage quality
- manage projects.

Following the demise of MCI, the Institute of Management took over responsibility for maintaining the Management Standards, which are again under revision with a new version to be developed during 2002. While there has been criticism of using generic management standards (Collin, 1989; Otter, 1994) the benefits of using them as a framework for development have been widely acknowledged (Iles, 1993; Mabey and Iles, 1993).

The IR and C&E wished to learn from the good practice of other organisations that had adopted standards, whether the MCI Standards or others, as a framework for management development. Six objectives were agreed with the project management team:

- to analyse current practice in management development;
- to identify pertinent issues for organizations implementing the Management Standards;
- to investigate current trends in the delivery of management development;
- to develop a protocol for undertaking case studies in the use of the Standards;
- to lead the research in five of the organizations to be studied;
- to analyse and report on the findings from the case studies.

In connection with the first three objectives, a literature review was undertaken to identify the key issues relevant to the provision of effective management development and adoption of the Management Standards (Winterton and Winterton, 2000). This paper, based on the final report (Winterton and Winterton, 2001), deals with the final three objectives, so describes the methodology developed for the case studies and draws conclusions from analysing the case study findings.

Theoretical Framework

The literature review established the conceptual framework for the study in relation to both the *competence frameworks* adopted in organisations and the *implementation issues* associated with embedding the standards in HRD systems and processes.

While the MCI Standards have been shown to provide an effective structure for systematically developing managers' *functional competences* and *personal competencies*, in addition managers would need to acquire further competences and competencies. The competence framework proposed was one derived from the 'holistic model of professional competence' (Cheetham and Chivers, 1996; 1998), which had been used to structure an analysis of future management skills needs in an earlier project (Winterton, 2001). Underpinning the development of functional competence and personal competencies, managers need the opportunity to acquire new *cognitive competences* (knowledge and understanding) and over-riding *meta-competencies*, especially the *ability to cope with uncertainty* and *learning to learn*.

In terms of implementation, the literature suggests that a key rationale is the need to improve management performance in a context of profound and uncertain change. A changing environment (the IR is undergoing significant internal restructuring) requires more management development and necessitates that it is more closely focused on organizational strategy. Management development using standards has been shown to be clearly associated with improvements in performance at the levels of individuals, teams and the organization as a whole (Winterton and Winterton, 1999b). Learning processes associated with the development of individuals and teams differ and a learning organization approach was proposed as a means of providing structure to manage these processes and link them with organizational learning. Management standards were seen to offer a unifying framework for such an approach.

Research Questions

The purpose of the cases studies was to explore a range of questions concerning the adoption of management standards in relation to the following four areas:

- *Rationale* for adopting the Standards: why did they do it? What existed before? When and why did they change? Were alternatives considered? What were the main debates? Is (how is) development linked to strategy? Is a competence framework used (in what, since when?) and how does it relate to the Standards?
- *Implementation issues*: how did they do it? How was it decided upon? Outline the planning and development process and the operational details, including design of competence framework. Main obstacles and how they were overcome, what had to be changed, how sceptics were addressed, who was responsible overall, and locally, how it was rolled out.
- *Human resource development issues* implications of adopting the Standards. How training/development needs are established (and if that's changed). Assessment and accreditation of competence, whether voluntary, take up rate etc. How identified needs are met and nature of support available for manager involved, including learning infrastructure, telematics, mentoring and coaching.
- *Post implementation*: how are the Standards viewed (by different parties)? Is their use mandatory (for what)? How is the impact of adopting the Standards being monitored? What performance measures? Who evaluates? What benefits have been identified (development, performance of individuals, teams, organization) and can these be attributed to Standards? Evidence? Overall assessment (was it worthwhile?) Key successes and failures, actual against expected outcomes. Hindsight (what would they do differently - would they do it at all?).

Methodology

The project steering team agreed with the researchers' recommendation that a series of case studies should be undertaken to investigate the use of Standards in management development within organisational contexts. The methodology developed for this study was based on earlier research completed for the Department for Education and Employment and elaborated in Winterton and Winterton (1999). The case study approach adopted closely followed the replication approach to multiple case studies shown in Figure 1 (Yin, Bateman and Moore, 1982).

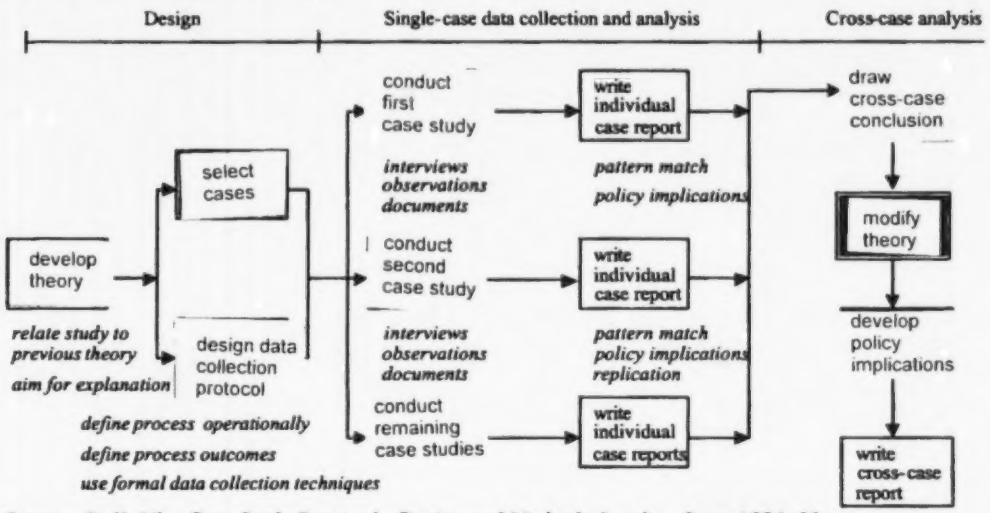
The design for the case study embodied the theoretical and conceptual underpinnings established from a review of the literature and the development stage was concerned with designing the case study protocol and identifying potential cases for study (Yin, 1984: 29-35). The case study protocol included an outline of sources of information to be addressed, the interview schedules and an outline structure for the case reports. Since a team of consultants from the IR and C&E, as well as the authors, undertook the case studies, it was important for all team members to adhere strictly to the protocol in order to facilitate cross-case analysis. Case reports were validated with the organisations and corrected before the cross-case Analysis was completed. In accordance with the terms on which access was agreed with the participating organisations, confidentiality was maintained with respect to individuals and anonymity preserved in relation to organisations.

Cases for study were selected on the basis of the apparent extent of adoption of the Management Standards and the likelihood that they would raise issues that would help inform implementation in the IR and C&E. A list of possible establishments for case study was drawn up following consultation with the IRTO project manager and staff from MCI. The number of cases to include in a multi-case design depends upon whether literal or theoretical replication is involved, the degree of confidence required in the results, and the resources available. For literal replication, the number of cases can range from 2 to 6 or more, the number increasing with the degree of certainty required and decreasing with the extent of difference between rival theories. For theoretical replication, the number of cases also depends upon the complexity of external factors anticipated to influence case study results. On this basis, it was decided that, ideally, a total of 20 establishments should be studied using the agreed protocol. Cases for study were selected on the basis of the apparent extent of adoption of the Management Standards and the likelihood that they would raise issues that would help inform implementation in the IR and C&E.

It was anticipated from earlier experience that the process of securing access would involve protracted negotiation before the organisation agreed to participate, but access proved much less problematic than in previous studies. Two factors probably explain this: the prestige of the IR/C&E as the client organisations and the fact that we were largely investigating implementation issues, rather than evaluating impact, which raises sensitive political issues within organisations. Access was achieved to 16 organisations within the time available for the study, and these represented a range of contexts and degrees of adoption of standards, including both the functional

competences embodied in the MCI Management Standards and personal *competencies* reflecting psychosocial characteristics.

Figure 1. Case study methodology



Source: R. K. Yin, *Case Study Research: Design and Methods*, London: Sage, 1984: 56.

Results and Findings

Findings from the case studies in sixteen organisations on the use of standards in management development are summarised below under the four areas of research questions established above.

Rationale

Respondents were asked a series of questions concerning the rationale within each organisation for introducing Standards and for embedding the Standards in HRD systems and processes.

Respondents in the sixteen organisations were first asked what were the main objectives in adopting the Management Standards. After eliciting unprompted responses from interviewees, a series of prompts was then offered, including such issues as increased management capability or competence; bringing about change; providing a structure for career management or qualifications and employability. The principal objectives in adopting Standards were to introduce statements of good practice using an existing competence framework; to establish a framework for management development; to offer a means of external audit to a national standard; and to support the organisation through a culture change.

Respondents were also asked about the relationship between management development and organisational strategy, the intervening role of appraisal and personal development reviews and the use of competence frameworks in HRD systems and processes. In relation to embedding the Standards, the key issues were developing competence in line with organisational strategy; incorporating competence statements in appraisal systems and personal development plans; and using a competence framework as a point of reference in HRD systems and processes, especially job profiles.

Implementation Issues

Respondents in the organisations were asked how the decision was taken to adopt an approach based on standards, and to outline the strategic planning and development process. The key strategic implementation issues were that senior management involvement and commitment was essential to successful implementation; external consultants were involved in some cases; and introducing competence-based qualifications was a stimulus to gaining commitment to Standards at all levels.

Respondents were also questioned on the operational aspects of implementation, including whether particular

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managers were targeted and if local 'champions' were used. They were also asked to explain how the competence framework or standards employed were selected or designed, including whether any research was undertaken into what other organisations were doing. The main operational implementation issues were that communicating the role of the Standards to all levels of the organisation was essential; few organisations had researched others' experience with the Standards; pilot schemes and local champions had facilitated smoother adoption of the Standards within an organisation.

Human Resource Development Issues

In the sixteen organisations visited, interviewees were asked how the Management Standards (or other competence/competency frameworks employed) related to training and development initiatives. Individuals were asked to explain how training and development needs are established and how competence is assessed or accredited. With respect to competence needs and assessment, the case studies showed: performance and development reviews and training needs analysis are used to identify development needs; self-assessment and 360° feedback against the Standards provides a basis for personal development plans; and that competence assessment need not be linked to qualifications such as NVQs/SVQs.

Respondents in the case study organisations were also asked how development needs identified were met and what support is available for managers involved in training and development. In relation to delivering management development, the main findings were that learning resource centres employing multi-media are widely used to deliver development in the workplace, supported by mentoring. Face-to-face training with internal and external personnel is still widespread, often involving partnerships with Universities; individuals are taking responsibility for their own development through learning contracts and open and flexible learning.

Post Implementation Issues

Respondents in the organisations studied were asked about the use and evaluation of Standards, as well as the impact and benefits of their adoption.

The individuals interviewed were asked about the status of the Standards in the organisations visited, whether their use was mandatory and whether there was any monitoring of the effect of having implemented the Standards. The key issues in the use and evaluation of Standards were that Standards can be used to structure development irrespective of whether the competence-based qualifications are implemented; Standards can be embedded in the HRD systems and processes of organisations without managers being aware of their existence. MCI, and derivative, competence Standards are often combined with behavioural competencies in competence/competency frameworks. Formal evaluation of the use of Standards is very rare.

Respondents in the organisations studied were asked what benefits, if any, had been identified from adopting the Standards and their overall opinion as to their impact. The main successes and difficulties were explored and individuals were asked what they would do differently if starting again. The main impact and benefits of Standards on organisations is in providing a structure and focus for management training and development; the Standards offer a mechanism for establishing a transparent link between organisational strategy and management development. Better-targeted training and development improves management performance and staff retention. Managers are more qualified and flexible in dealing with the changing organisational environment; managers become more objective in reviewing the performance of their staff and in establishing development plans, including their own. Standards raise individual managers' self-confidence, motivation to accept wider responsibility and commitment to learning.

Difficulties encountered included integrating the Standards with existing initiatives and contextualising the Standards to make them appropriate to the specific organisational culture. Equally, there were problems in overcoming resistance to management development by managers who have specialist professional qualifications and in coping with the bureaucracy of competence-based qualifications. If starting again, those responsible would do some things differently, such as, take more time in building senior management commitment and in implementation, allowing individuals to adjust; communicate the objectives and successes more widely; allocate more resources to the programme, especially in support mechanisms.

Conclusions and Recommendations

There are inevitably limitations to the extent that lessons can be extrapolated from the diverse experience of a range of different organisations that can meet the specific needs of other organisations. Bearing in mind these limitations, the project team identified the following lessons as particularly relevant to the IR and C&E.

In relation to *objectives*, it is essential to ensure that the Standards are strategically aligned with business direction so that development supports strategy. The Standards can prepare the ground for cultural change provided they are focused on what the organisation needs for the future. Equally, contextualisation of the Standards is necessary to deliver the business benefits. We recommended that the Standards should be used to help focus and structure training and development within the IR and C&E. Managers should be encouraged to use the Standards in succession planning. The Standards also have implications for the management span, or area of responsibility, and for work organisation and job design.

The *implementation strategy* should build 'ownership' of the Standards within the organisation. It is essential to secure senior management support and involvement and to establish effective communication of the objectives and strategy throughout the organisation. There is value in using 'champions' to promote adoption and publicise good practice. Individuals who are professionally qualified may be reluctant to pursue management development, so must be convinced of the utility of the Standards for benchmarking relevant experience and developing necessary competence.

In *operational* terms, there is an optimum timetable for implementation, which is likely to be organisation-specific. If the process is taken too slowly, it will lose momentum, while if it is taken too fast, the majority will be lost in the process. At optimum speed, momentum is maintained, the majority of people are carried along, and the implementation process is completed within budgetary constraints. Qualifications are not a mandatory part of adopting the Standards for management development and this is an area in which to proceed with caution. Nevertheless, the Standards provide a mechanism and structure for linking the experiential acquisition of competence with further education and continuing professional development.

In *delivering management development*, individuals need support within the organisation to understand that learning will replace taught courses as the primary route for development. The infrastructure necessary for self-managed learning includes both learning resources available locally in the workplace and processes for delivering advice and guidance. Special attention should be applied to coaching (helping managers develop specific competences on-the-job) and mentoring (longer-term advice and guidance from a senior manager).

Evaluating the use of the Standards is important. The adoption of the Standards should not be seen as an 'instant fix' but as part of a journey of continuous improvement with milestones against which progress can be assessed. Nevertheless, there is value in establishing an evaluation strategy early in the process, identifying the evaluation criteria and measures, and adopting a methodology consistent with strategic objectives and within Better Quality Services.

The main *impact and benefits of adopting Standards* should be a greater clarity of role and consistency in standards to which managers work. In turn this clarity and consistency will increase the confidence *of* managers and of the organisations *in* their managers. The Standards can highlight the value of bringing in learning experience from elsewhere, helping to promote a broader view of development, without becoming bogged down on technical detail. As a result, managers should be encouraged to look outward and beyond the immediate context.

There will remain several *questions to be resolved*. It is important to address budgetary issues. The organisations need to commit real resources, time and money, to implementing and embedding the Standards in HRD systems and processes. The organisations will need to decide whether the Standards are to be mandatory for all managers, or to whom they will apply. There is considerable potential to link the Standards with the appraisal system, which raises the question of dealing with individuals who do not demonstrate the necessary competence.

Contribution to New Knowledge in HRD

The research was designed to meet the immediate needs of the client organisations, the IR and C&E, whose senior HR staff wished to be better informed about good practice in management development, especially the use of competence and competency frameworks. In so doing, the research contributed to new knowledge in HRD in relation to theory, methodology and substantive empirical knowledge of relevance to practitioners.

The main theoretical and conceptual contribution of the project is in integrating the apparently competing frameworks centred on functional competence (such as the occupational Management Standards developed by MCI) and psychosocial competency (such as the Hay competency framework). The empirical research showed that in practice, it is both possible and desirable to adopt a combination of competences and competencies, and

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demonstrated the utility of the 'holistic model of competence' as a framework for achieving this.

The methodological contributions are threefold. First, the project demonstrates the benefit of using research to inform practice, since the IR and C&E adopted the recommendations in their entirety. Second, the way the research was conducted demonstrates the potential for building links between theory and practice through academics and practitioners working together in a research team. Third, the ease with which access was obtained for the case studies in comparison with previous projects shows the virtue of research being sponsored by prestigious state organisations like the IR and C&E.

So far as the authors are aware, no comparable study has been undertaken of contemporary Standards-based management development, so the results provide new empirically derived substantive knowledge. Moreover, as a checklist of good practice, the empirical findings are of considerable value to practitioners, as has been demonstrated by the adoption of our recommendations in their entirety by the IR and C&E.

The key themes with respect to the objectives in adopting Standards are as follows:

- introducing statements of good practice using an existing competence framework;
- establishing a framework for management development;
- offering a means of external audit to a national standard;
- supporting the organisation through a culture change.

The key issues with respect to embedding Standards are as follows:

- developing competence in line with organisational strategy;
- incorporating competence statements in appraisal systems and personal development plans;
- using a competence framework as a point of reference in HRD systems and processes, especially job profiles.

The key strategic issues in relation to implementation are:

- senior management involvement and commitment was essential to successful implementation;
- external consultants were involved in some cases;
- introducing competence-based qualifications was a stimulus to gaining commitment to Standards at all levels.

The key operational issues in relation to implementation are:

- communicating the role of the Standards to all levels of the organisation is essential;
- few organisations researched others' experience with the Standards;
- pilot schemes and local champions facilitate smoother adoption of the Standards within an organisation.

The key themes in relation to competence needs and assessment are:

- performance and development reviews and training needs analysis are used to identify development needs;
- self-assessment and 360° feedback against the Standards provides a basis for personal development plans;
- competence assessment need not be linked to NVQs.

The major issues in delivering management development are:

- learning resource centres employing multi-media are widely used to deliver development in the workplace, supported by mentoring;
- face-to-face training with internal and external personnel is still widespread, often involving partnerships with Universities;
- individuals are taking responsibility for their own development through learning contracts and open and flexible learning.

The key themes with the use and evaluation of Standards are:

- Standards can be used to structure development irrespective of whether the competence-based qualifications are implemented;
- Standards can be embedded in the HRD systems and processes of organisations without managers being aware of their existence;
- MCI, and derivative, competence Standards are often combined with behavioural competencies in competence/competency frameworks;
- formal evaluation of the use of Standards is very rare.

The key themes in relation to the impact and benefits of Standards are:

- the main impact of Standards on organisations is in providing a structure and focus for management training and development;
- the Standards offer a mechanism for establishing a transparent link between organisational strategy and management development;
- better targeted training and development improves management performance and staff retention;
- managers are more qualified and flexible in dealing with the changing organisational environment;

- managers become more objective in reviewing the performance of their staff and in establishing development plans, including their own;
- Standards raise individual managers' self-confidence, motivation to accept wider responsibility and commitment to learning.

The key difficulties encountered in adopting Standards included:

- integrating the Standards with existing initiatives;
- overcoming resistance to management development by managers who have specialist professional qualifications;
- contextualising the Standards to make them appropriate to the specific organisational culture;
- coping with the bureaucracy of competence-based qualifications.

Among the things that people would do differently if starting again were:

- take more time in building senior management commitment and in implementation, allowing individuals to adjust;
- communicate the objectives and successes more widely;
- allocate more resources to the programme, especially in support mechanisms.

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The Applicability of AHRD Ethics Standards Internationally

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This paper discusses some of the issues related to the applicability of the AHRD Ethics Standards internationally.It summarizes a review of literature on ethics standards and the applicability of those standards across countries. The authors conclude that there is no reason to assume that ethical standards that are applicable in one culture are necessarily applicable in another. From this, they identify issues for further research in the area.

Keywords: International HRD, AHRD Standards, Code of Ethics

The HRD field is becoming more established around the world (McLean & McLean, 2001). As HRD continues to grow and legitimize itself, greater attention has been given to the need for establishing standards for professional behavior. The Academy of Human Resource Development (AHRD) has produced its *Standards on Ethics and Integrity* (*The Standards*) (AHRD, 1999). The intent of these Standards has been to give HRD professionals a common set of values and principles upon which to build their work with integrity.

Although international business and society as a whole should expect ethical behaviors from HRD professionals (Hatcher & Aragon, 2000), is it reasonable to expect professionals from various countries to adhere to a common set of standards? But what are the ethical behaviors that international HRD professionals should practice? Can ethical standards be universally applied? Can the AHRD Standards be applied globally?

Purpose Statement

The purpose of this paper is to explore the research and theory-building literature to inform us about the global application of ethics codes. The concept of ethics in HRD, and the growing recognition of ethics as a developing research issue, demonstrates the importance of ethics in HRD. As businesses face many challenges in their efforts to participate in globalization, HRD will be called upon to use a variety of methods to support those efforts (McLean, 2001). As the HRD profession continues to expand globally, the issue of global ethics becomes one of increasing importance. The intended outcome of this literature review is to build a conceptual framework for further research regarding the extent to which standards developed in one country can be applicable in all other countries.

Theoretical Framework

There is no commonly agreed-upon ethical system or universally agreed-upon way to analyze ethical situations (Hatcher & Aragon, 2000). There are two generally acknowledged theories about ethics: teleological theory and deontological theory. Teleological theory, a consequentialist theory, focuses on the results of an act. The moral value of an action is a function of its consequence. Deontological theory, a nonconsequentialist theory, focuses on the act itself. A deontologist believes that the rightness of an action takes precedence over the consequences of the action. The results are not as important as the nature of the act in question (Burns, Russ-Eft, & Wright, 2001; Hatcher, 2000). We will look for common applications of these two theories in the literature.

Research Questions

This literature review sought to identify the research that has been conducted on the applicability of ethical standards across countries. Specifically, the review was guided by the following questions:

What role does ethics play in the field of HRD?
Can the AHRD *Standards* be applied globally by international HRD professionals?
Should a separate code of ethics be developed for international HRD professionals?

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Methodology

A literature review of research-based articles was conducted. HRD, psychology, international business, and ethics literature was reviewed. The following databases were searched: Educational Resources Information Center (ERIC), ABI Inform, and Business Source Premier. Keywords used in the literature search included: HRD and ethics, international business ethics, business and ethics, professional ethics, cross-cultural HRD, international HRD, and code of ethics. Reference lists of selected articles were examined for additional literature. Along with the AHRD Standards, ethical codes from the following professional organizations were also reviewed: American Psychological Association, Society for Human Resource Management, Organization Development Network, American Evaluation Association, and Organization Development Institute.

Results

The literature review revealed much that contributes to the research questions posed. The review presented here is organized according to the following categories: The *AHRD Standards*, professionalization of HRD, cultural differences in work-related values, cross-cultural HRD, international business ethics, and how other professional organizations utilize their ethics standards in an international setting.

The AHRD Standards

The *Standards* were developed by the Standards on Ethics and Integrity Committee in 1999. The committee consisted of six U.S. members, with Darlene Russ-Eft as chair. The standards were intended to provide guidance for HRD professionals engaged in practice, research, consulting, instruction, facilitation, or teaching. Aspirational in nature, they were intended to provide standards of conduct and set forth a common set of values for HRD professionals (AHRD, 1999).

The General Principles, the first category of the standards, include:

- Competence
- Integrity
- Professional responsibility
- Respect for people's rights and dignity
- Concern for others' welfare
- Social responsibility

A comprehensive list of the *Standards* is shown in Table 1. Each standards category includes a list of its specific standards:

Table 1. *Academy of Human Resource Development Standards on Ethics and Integrity*

Standards
General standards: Boundaries of competence; maintenance of expertise; basis for research and professional judgments; description of HRD professionals' work; respecting others; nondiscrimination; exploitative relationships; misuse of HRD professionals' work; multiple relationships; consultations and referrals; third party request for services; delegations to and supervision of subordinates; documentation of professional and research work; records and data; fees and financial arrangements; accuracy on reports to payers and funding sources; referrals and fees
Research and evaluation: Research and evaluation in professional context; data collection; responsibility; compliance with law and standards; institutional approval; informed consent; incentives to participants; deception in research; interpretation and explanation of research and evaluation results
Advertising and other public statements: Definition of public statements; statements by others; avoidance of false or deceptive statements; media presentations

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Publication of work:
Reporting of research and evaluation results; plagiarism; publication credit; duplicate publication of data; release of data; professional reviewers; ownership of intellectual property

Privacy and confidentiality:
Discussions of the limits of confidentiality; protection of confidentiality; maintenance and ownership of records; disclosures; consultations; confidential information in databases; use of confidential information for didactic or other purposes

Teaching and facilitating:
Design, development, implementation, and evaluation of programs; descriptions of programs; accuracy, objectivity, and professionalism in programs; limitation on training and instruction; assessment of performance

Resolution of ethical issues and violations:
Familiarity with ethics; informal resolution of ethical violations; conflicting pressure with organizational demands; improper complaints; resolutions of ethical issues; cooperation with ethics committees

Source: AHRD (1999).

Along with the development of the *Standards*, the committee recognized the need to provide further guidance for researchers and practitioners. A casebook was developed that provided case studies in HRD ethics for further enhancement of the HRD profession. Further details on the cases can be found in Aragon and Hatcher (2001).

Several of the cases in the casebook described ethical issues in international settings. One case described a dilemma involving compensation practices in an organization in Tanzania (Bates, 2001). Other cases referred to illiteracy in Bangladesh and its impact on a research project (McLean, 2001) and the practice of quanxi in China (McLean, 2001).

Professionalization of HRD

The question is now being asked if an aspirational ethics document takes the profession far enough (Ruona & Rusaw, 2001). Aspirational ethical principles provide guidance to professionals for resolving dilemmas and conflicts, in contrast to an enforceable code that implies sanctions for specific acts based on formal judgements (Burns, Russ-Eft, & Wright, 2001). Ruona and Rusaw (2001) believed that the *Standards* play a critical role in helping HRD to develop necessary foundations for professionalization.

As the AHRD pursues professionalism, some have argued that consideration must be given to defining the construct of profession. Burns, Russ-Eft, and Wright (2001) used Wilensky's (1964) five stages to describe the development of professions. Among these stages is: codes of ethics begin to appear (p. 214).

Ruona and Rusaw (2001) defined a profession as including, among others:

- Values
- Standards of Practice and Ethics
- Monitors the practice and its practitioners (p. 223)

Another definition of a profession comes from McConnell (1999). His definition of a profession, based on legal precedents, includes the following attributes:

- A code of ethics imposing standards higher than those normally tolerated in the marketplace
- A disciplinary system for professionals who breach the code
- A primary emphasis on social responsibility over strictly individual gain, and a corresponding duty of its members to behave as members of a disciplined and honorable profession
- A prerequisite of a license prior to admission to practice (p. 92)

Each of the three definitions of profession includes the concept of enforcement and control. Control could be through licensing, monitoring practitioners, or implementing a disciplinary system for those who breach the code. Whichever control method is used, an ethics code is to be used as a control mechanism. If the AHRD were to decide that an aspirational ethics document does not take the profession far enough, an enforceable code, though difficult to develop, would have implications for the practice of HRD, including international HRD.

There has been some focus on the application of the *Standards* in an international setting. Hatcher and Aragon (2000) presented the *Standards* as a generic document that is intended to provide both universal principles and limited decision rules to cover many situations encountered by international HRD professionals. The *Standards*

could be used by international HRD professionals but, according to the authors, not as a stand-alone or all-inclusive guide to ethical behaviors. Each international professional's personal experiences, individual values, and cultural values should be used to interpret, apply and supplement the principles set forth in the *Standards*. Hatcher and Aragon (2000) recognized the following:

> We need more and better dialogue about what the international community of HRD professionals believes (values), what we want the profession to be in the future, and where we are now in regard to that quest. (p. 217)

Cultural Differences in Work-Related Values

A well-known model that illustrates the differences that can exist between cultures is Hofstede's four value-based factors: Power Distance, Individualism, Masculinity, and Uncertainty Avoidance (Hofstede, 1984). He added a fifth factor, Long-Term Orientation, later. These factors have been used widely in analyzing culture, though the model has also received significant criticism because of the research used by Hofstede originally and the evidence that the framework is not valid in all circumstances (Kuchinke, 1999). *Power Distance* is the extent to which the less powerful members of a group or society accept and expect that power is and will be distributed unequally. Bureaucratic societies (such as Latin American countries) are typically higher in Power Distance, while more egalitarian societies (such as the United States) rank lower. *Individualism* is the degree to which group members expect that individuals orient their action for their own benefit rather than for the benefit of the group (Collectivism). The United States is ranked among the highly individualistic societies, while Asian countries are more strongly collectivistic. *Masculinity* is the distribution of gender-role stereotypical behavior. Masculine cultures (such as Mexico) honor assertiveness, aggression, and toughness among its male members while feminine cultures (such as Sweden) reinforce nurturing, caring, and modest behavior among both male and female members. *Uncertainty Avoidance* is the degree to which members of a group are uncomfortable with and avoid change, ambiguity, and uncertainty (Kuchinke, 1999). In countries with strong uncertainty avoidance (such as Germany) there tend to be more and more precise laws than in those with weak uncertainty avoidance (such as the United Kingdom) (Hofstede, 1997).

Jackson (2001) found that, in individualist cultures, ethical decision-making is based on concepts of universal principles of what is right and wrong while in collectivist cultures, it is likely that the decisions will be based on the contingencies of a situation and of maintaining face. In high uncertainty avoidance cultures, such as Germany and France, the level of economic and social regulation is likely to be high and internalized within the community. In low uncertainty avoidance cultures, such as Australia, this acceptance of regulation is likely to be low.

Another factor that can influence ethical practices in countries is the level of corruption that takes place. Transparency International (TI) is a non-government organization that is dedicated to increasing government accountability and curbing both international and national corruption. TI ranks countries each year by a Corruption Perceptions Index (CPI) score. The 2001 CPI shows that almost two-thirds of the countries ranked in the index score less than five out of a clean score of ten (TI, 2001). The CPI serves as an ethical barometer for different national economies. From the data that are gathered in the CPI, there is the assumption that there are ethical and unethical economies (Lee, 2000). The degree of integrity in these economies is measurable and comparable. Those economies that are more developed economically are more ethically developed.

Ethics is a growing concern in international business. The Caux Round Table of business leaders from Europe, Japan, and the United States was founded in 1986 and has established General Principles and Stakeholder Principles as a world standard against which business behavior can be measured (www.cauxroundtable.org).

Several examples of international ethical issues were identified in the literature. In a study of Korean and Japanese business executives, executives occasionally have to make unethical business decisions that conflict with their personal values, because of prevailing business practices (Lee & Yoshihara, 1997). Bribery is still a common practice in some countries (TI, 2001). According to Ryan (1994):

> Presently in most of Central Europe, there is no framework for an ethical system. And whatever system exists or whatever basis for a system is on record, there is almost no system of enforcement. There is both a moral and a legal vacuum. (p. 68)

In a study based on respondents from 10 manufacturing companies in two Western countries and four countries of the former Soviet Union, nationality emerged as the most important predictor of the work-related values that were measured (Kuchinke & Ardichvili, 2001).

Multiculturalism and diversity offer difficult ethical challenges in the international evaluation arena (Bamberger, 1999). In many countries, gender issues do not have a high priority. The concept of stakeholder is seen

in some cultures as promoting conflict and challenging the traditional goal of consensus building. There is often resistance to the intervention of international agencies in what are considered religious or culturally sensitive areas.

Cross-Cultural HRD and Ethics

Although several sources were found regarding cross-cultural or international HRD, literature that dealt with the topic of international HRD and ethics was scarce. In reviewing a comprehensive annotated bibliography of over 150 articles related to international organization development (OD) appearing over the life of the *Organization Development Journal,* only two articles were about the specific topic of ethics (Strøyberg, 2000). One article (Ryan, 1994) described the increasing attention given to business ethics in East Central Europe and Russia and in the former USSR Republics. The other article (Johnson & Wolfe, 1996) discussed global integrity ethics and the challenges for the field of organization development.

The literature reflected a recognition of cross-cultural differences in the practice of HRD but not in the specific area of ethics. HRD researchers and practitioners have some knowledge of international HRD but that knowledge is still in its infancy (Peterson, 1997). Hansen and Brooks (1994) recognized that organizations are increasingly operating within a global context and that HRD professionals are being challenged to examine the transferability of their efforts. In their review of cross-cultural HRD research, they found that HRD roles are interpreted differently in different cultures.

International Business Ethics

The topic of business ethics has received much attention in recent years. Academics and practitioners from the European community have also become more concerned with issues of business ethics (Buller & Kohls, 1997). Several articles in the literature dealt with the issue of addressing cross-cultural ethical conflicts in multinational corporations (Barker & Cobb, 2000; Kapstein, 2001; Payne, Raiborn, & Askvik, 1997). There has been a proliferation of MNCs since the end of World War II but an awareness of cultural and ethical differences has developed only recently. Barker and Cobb (2000) made the conclusion that consideration of ethical and cultural differences is necessary and MNC's must accommodate the differences when developing a code of ethical standards that will apply to business practices at home and abroad.

Establishing an ethical culture requires special effort. International agreements between companies are very difficult to establish and time-consuming. Once agreements are defined, international law makes noncompliance difficult to enforce (Payne, Raiborn, & Askvik, 1997). Those who wish to establish ethical codes need to reconcile their aspirations with the fact that most nations do not generally share common laws or regulations on labor rights and the environment (Kapstein, 2001). The vast differences in culture generate a host of managerial issues, including ethical ones, such as avoiding ethnocentrism and recognizing that no one culture is better as a matter of course than any other culture (Payne, Raiborn, & Askvik, 1997).

Several articles have argued in favor of building a code of ethics for international business. Wederspahn (1997) argued that having written ethical guidelines will help U.S. corporations walk the fine line between the requirements of the Foreign Corrupt Practices Act and the realities of local business culture. For a code to be applicable to any business and in any country or culture, it should consider ethical, cultural, and managerial issues (Payne, Raiborn, & Askvik, 1997). In general, a single set of ethics for a company is preferable, but it may be impossible to do. According to Smeltzer and Jennings (1998):

> A company with two sets of values, one for domestic business and another for international business, is a company headed for ethical crisis...It is not an issue of how a firm does business in each country, it is a question of *whether* a firm does business in each country. (p. 63)

Schwartz (2000) protested against the usage of ethical codes by business organizations. Business organizations should strive to create an environment where employees are comfortable and free to do what they believe is the right thing to do. If the task of business ethics is to facilitate a consensus as to what is right or wrong, one must question the validity of ethical codes since there is no evidence such a consensus exists.

Professional Organizations and Codes of Ethics

Having a code of professional conduct is one part of the self-regulatory efforts of professional organizations. Relatively little research has been done on professional codes of ethics (Wiley, 2000). In Wiley's study of ethical standards for human resource management professionals, similar characteristics were found among the codes, which led to one conclusion that a unified code for the HR profession could be reasonably derived and would be beneficial. No discussion occurred regarding the application of these ethics in international settings.

Several professional organizations' ethical codes were reviewed to identify what considerations or statements were made in regards to international ethics and the applicability of the ethical codes. The organizations' codes examined were those of the Society for Human Resource Management (SHRM), American Evaluation Association (AEA), Organization Development Network (ODN), Organization Development Institute(ODI), and American Psychological Association (APA).

The *SHRM Code of Ethical and Professional Standards in Human Resource Management* (1989) is meant to be a useful tool applicable to the global HR profession as a whole, setting standards to which all members can aspire. Members of SHRM must abide by the code (SHRM, 1989). A statement is made that it is understood that the code is primarily U.S. centric, but the hope is that it is written in such a way that HR professionals anywhere will find it helpful in their daily professional lives. SHRM members are expected to adhere to the code.

In the *AEA's Guiding Principles for Evaluators* (1994), the following statement is made:

> These principles were developed in the context of Western cultures, particularly the United States, and so may reflect the experiences of that context. The relevance of these principles may vary across other cultures, and across subcultures within the United States. (p. 3)

The development of the *Organization and Human Systems Development Credo* of the Organization Development Network involved the participation of more than 600 people from 25 countries (OD Network, 1996). The credo is a working statement. One issue currently under discussion is whether or not it is appropriate to aspire to becoming a global professional community (p. 2).

The International Organization Development Code of Ethics (OD Institute, 1991) was supported unanimously by participants at the 1984 O.D. World Congress in Southampton, England. More than 200 people from over 15 countries participated in the process that produced the statement. A statement made in the notes of the document states:

> By providing a common reference for O.D. professionals throughout the world, we seek to enhance our sense of identity as a global professional community. Because this statement was initially developed within the United States, adapting it to other cultures has been necessary. (p. 3)

The APA's *Ethical Principles of Psychologists and Code of Conduct* does not refer to any international applicability (APA, 1992). Although the other organizations' ethical codes are aspirational, the APA's specific Ethical Standards set forth enforceable rules for psychologist conduct. Membership in the APA commits members to adhere to the APA Ethics Code. Psychologists and students who are not APA members are cautioned to be aware that the Ethics Code may be applied to them by state psychology boards, courts, or other public bodies.

Discussion and Recommendations

The results of this review support the need for more research in this area. Although applications of deontological theory were present in the various professional organization standards, we have been unable to identify any research that specifically looked at whether ethics standards developed in one country (U. S. A.) can be applicable in other countries. According to Peterson (1997), HRD researchers and practitioners have some knowledge of international HRD, but that knowledge is still in its infancy and is based on theories and interventions that may come from an ethnocentric U.S. base. Because organizations are increasingly operating within a global context, HRD professionals are challenged to examine the transferability of their efforts (Hanson & Brooks, 1994). It is our belief that this challenge extends to the transferability of ethical standards.

We propose to continue the research in this area by conducting a study on the applicability of the standards to international HRD practice. In this proposed study we will gather data from international AHRD members. This study will compliment the current work being done by the Standards on Ethics and Integrity Committee (communication with committee member Steven Aragon, 2001).

Contributions to HRD Knowledge

This literature review contributed to new knowledge in HRD by examining the applicability of the major research organization for HRD (AHRD) and its work on ethics in international settings. This study provides a deeper understanding of the issues surrounding ethical standards and their applicability in international settings. As globalization and the practice of ethical standards continues to influence the practice of HRD, this paper opens new avenues for research, particularly in the area of applicability of ethical standards.

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Nature and Impact of ISO Certification on Training and Development Activities on Singapore Organizations

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Examined the impact of ISO 9001/9002 certification on training and development activities of organizations in Singapore. Nature and extent of HRD activities three years before and three years after ISO certification were requested. They were also asked to indicate whether the changes, if any, were due to the certification only or other reasons. Significant changes in HRD activities were reported in manufacturing organizations.

Keywords: ISO 9000, Training and Development, Singapore

The ISO 9000 family of international standards and guidelines has earned a global reputation as the basis for establishing quality management systems. The success of these standards is still growing and the number of countries where ISO 9000 is being implemented has increased. By the end of December 1999, it has been reported that at least 343,643 ISO 9000 certificates had been awarded in 150 countries (ISO, 1999). The trend of the number of organizations seeking certification has continued to increase from that time. By following the ISO 9000 standards, companies can discover what makes them successful and then they can document this information into formalized processes and procedures. Improved documentation, positive cultural impact, higher perceived quality and faster development time are some of the advantages of ISO 9000 certification. ISO certification has also been used as a marketing tool to open up new markets beyond the traditional sphere of influence. Some quality and productivity-related benefits of such certification include an improvement in on-time delivery and reduction in the cycle time, error rates and test/inspection procedures (Taormina, 1996).

One of the key elements in the ISO 9001/9002 (1994) standards is clause 4.18 – Training. The clause describes the minimum training and experience requirements of an organization. It requires that the organization train new employees and all personnel whose work affect quality. The aim is to continually improve training programs to enable employees to handle changes in the global marketplace and be updated with the latest technology advances (Taormina, 1996). The standard requires that the need for training of personnel should be identified and a method for providing that training should be established. Further, consideration should be given to providing training to all levels of personnel within the organization. The standard also emphasizes that particular attention should be given to the selection and training of recruited personnel and personnel transferred to the new assignments (ISO 9004).

In spite of the successes of ISO, however, there remain issues in regard to its implementation and use. For one thing, it has been argued that ISO 9000 breeds inflexibility in organizations (Taormina, 1996). In practice, whenever standards are commonly recognized across an organization, it makes whatever future revisions to the standards all the more difficult to accomplish. In a related sense, ISO might have the effect of stifling creativity among employees who are expected to take ownership of their own processes. Once the standards become institutionalised, employees may be uncertain of the wisdom of changing something that has been widely accepted. Finally, becoming certified and adhering to the ISO standards simply requires a high investment of organizational time, effort, and resources. Indeed, some organizations have balked at using ISO simply because of the expected expenses involved seemed greater than the expected benefits. In addition, ISO inevitably affects all aspects of the organization, including the training and human resource development activities, which may not be altogether anticipated. In this sense, ISO may have as much impact on its support activities as those considered to be primary to the organization's reason for being in business.

The purpose of this study was to determine the extent to which ISO 9000 certification has impacted training and human resource development activities of organizations in Singapore. Specifically, the following research questions were addressed:

1. To what extent does ISO 9000 certification affect the conduct of training needs analysis?
2. To what extent does ISO 9000 certification affect the conduct of training design?
3. To what extent does ISO 9000 certification affect the conduct of training delivery methods?
4. To what extent does ISO 9000 certification affect the conduct of training evaluation?
5. To what extent does ISO 9000 certification affect the conduct of HRD activities in general?

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These research questions were derived since they represent the basic phases of the systems approach of training design (O'Connor, Bronner, & Delaney 1996). For the study, training needs analysis was considered as determining what training subjects are essential and to help identify those employees who are in need of the training. Training design was defined as the creation of an intervention or training effort targeted at addressing the problem identified. Examples of such activities might include curriculum development, course design, computer-aided design and the development of learning aids or materials. Training delivery was defined as the means to communicate the training information to the employees, including the selection and deployment of the media, methods, and arrangement of the facilities. Training evaluation was defined as the systematic process of determining the effects of the training on learning and business performance.

Literature Review

In a study conducted by Elmuti and Kathawala (1997), in two manufacturing plants, one ISO 9000 certified and the other non-ISO 9000 certified, owned by a large corporation in the United States it was found that the ISO 9000 quality program improved the participants' quality of work life. In addition, there was a positive impact on employee productivity and export sales. A follow-up interview with the management of the corporation indicated that ISO 9000 supported the organisational objectives of productivity, quality of products, increased export sales, and quality of work life.

Chittenden, Poutziouris, and Muhktar (1998-99) investigated the differences between the characteristics of small firms in the United Kingdom which were ISO 9000 registered and unregistered, the motivation for and against registration and the experience of the costs, benefits, and value added of the ISO 9000. It was found that the firms, which adopted ISO 9000 tended to be large, multi-product and manufacturing based. These firms had customers that were larger than themselves or from government departments. These firms also had a formal management structure. On the other hand, the firms, that did not adopt ISO 9000, tended to be smaller businesses that dealt with domestic customers and serving the local market. They also had no formal management structure and were usually personalised by the business owner. The study concluded that a high majority of ISO 9000 users felt that the advantages of using ISO 9000 outweighed the disadvantages. Manufacturing firms that implemented ISO 9000 were primarily motivated by the desire to improve internal processes while small firms were motivated by marketing and competitive advantages.

Research on small businesses conducted by McAdam and McKeown (1999), in Northern Ireland showed that both ISO 9000 and Total Quality Management (TQM) resulted in benefits. The benefits derived from ISO 9000 were better control of business, increased sales/business, reduced costs, increased productivity and fewer customer complaints. TQM resulted in benefits such as increased sales/business, reduced scrap/waste, increased profits, fewer customer complaints, increased customer satisfaction, increased workforce morale/skills, increased productivity and cost reductions. The businesses that were gaining most from TQM had started with ISO 9000 and focused on external measures (e.g. customer satisfaction, etc.) as well as internal measures (scrap, efficiency, etc.). They also had full management commitment, high levels of employee participation and training.

Sun (1999) found that in Norwegian companies, implementation (or certification) of the ISO 9000 standards was significantly correlated with the results, especially the reduction of bad quality products and customer complaints, and business performance such as profitability and productivity. However, the ISO 9000 certification had little influence on market position and competitiveness, and no influence on employee satisfaction and environment protection. Anderson Anderson, Daly, and Johnson (1999) found that manufacturing firms in North America adopted ISO 9000 as a means to provide credible signals of quality assurance to external parties. ISO 9000 complements rather than substitutes Total Quality Management. In addition, ISO 9000 was adopted as a tool in a larger strategy of achieving competitive advantage through quality management and communicating quality results. For most firms, complying with customer or regulatory requirements appeared to be a secondary consideration.

In Singapore, Quazi and Padibjo (1998) identified the perceived benefits and barriers to the ISO 9000 quality system. The benefits that were identified by the ISO 9000 certified companies included - an increased customer preference, improved company quality image and competitiveness in the market, compliance to customer requirement, streamlined procedures and documentation, increased consciousness for preventive and corrective actions, and provision of a foundation in the pursuit of TQM. The study also found that ISO 9000 certification provided a stepping stone toward TQM practices.

Despite the benefits, there were numerous barriers that were faced by the SMEs which included high cost of implementation, lack of full commitment and participation of top management, lack of financial and human resources, employee resistance, no perceived advantage in certification of the service industry, and that proper training and education of employees could not be ensured (Quazi and Padibjo: 1998). Simons and White (1999) conducted a study in North America on 63 ISO 9000 certified and 63 non-ISO 9000 certified companies in the electronics industry. The study did not support the claims that ISO certified companies help realise the

advantages in operational performance over non-ISO certified companies. An empirical study in New Zealand on manufacturing companies found that smaller companies (with fewer than 100 employees), when compared to the larger companies, are more likely to implement ISO 9000 because of external factors rather than internal factors. They also showed less understanding of the relationship between ISO 9000 and TQM, which resulted in implementing ISO 9000 only, and had little intention of extending their quality programs further. They found the small companies to be less likely to implement a TQM program compared to large ones and were likely to stop after implementing one ISO program. Further, large companies appeared to be more likely to use ISO 9000 as a precursor to TQM, whereas small companies were satisfied with ISO 9000 accreditation (Lee & Palmer, 1999). Wiele and Brown (1997-1998) in a study of organizations with less than 250 employees in Australia found that most SMEs seemingly felt forced to go for ISO 9000 certification and did not move further down the quality path. One of the driving forces for a company to move forward to develop a quality management system comes from customers and they might force the SMEs to go for ISO 9000 certification and only a very few of them will be converted into quality believers and will move forward on the TQM journey. Goh and Ridgway (1994) reported a very similar finding on SMEs in the UK. The study revealed that the ISO 9000 certification was the end-point in the quality journey of the sample companies.

In summary, it has been reported that ISO 9000 certification has resulted in both positive and negative impacts on organizational performance. Specific benefits that have been reported through various studies are- improved quality of work life, increased customer preference, improved company quality image and competitiveness in the marketplace, higher productivity and export sales, better control of business, reduced costs, fewer customer complaints, streamlined procedures and documentation, increased consciousness for preventive & corrective actions and the like. On the other hand, some studies indicated that ISO 9000 certified companies did not realize advantages in operational performance and foreign sales over non-certified companies. Clause 4.18 of ISO 9001 requires that the certifying companies establish and maintain documented procedures for identifying training needs and provide for training of all personnel performing activities affecting quality.

Although requirements of all the ISO 9000 clauses are important for the quality management system, it can be argued that employee training is critical for the achievement of the benefits discussed above. In support, a number of studies have shown the relationship between training and business performance (Jacobs, 1994; Jacobs, Jones, & Neil, 1992; Robinson and Robinson, 1989). McAdam and McKeown (1999) found that for the achievement of customer satisfaction, scrap reduction and improvement of efficiency, full management commitment and high level of employee participation & training were present. Quazi and Padibjo (1998) also reported that lack of proper training and education of employees was one of the barriers to the achievement of ISO 9000 certification.

However, from the literature review presented above it is noted that no study has yet investigated into the nature, extent and impact of training on the benefits accrued through ISO 9000 certification. The objective of the present study is to explore the impact of ISO 9000 certification on the nature and extent of training activities of the certified companies.

Methodology

A survey research methodology was used for the study. A questionnaire was developed to address the questions. Primarily a 5- point Likert type scale was used to capture the HRD related information on "before" and "after" the ISO 9000 certification. The companies were asked to indicate the nature and extent of their training and human resource development activities three years prior to certification and three years after the certification.

They were also asked to indicate the possible reasons for such changes. The questionnaire was pre-tested with three ISO 9000 certified organizations and two researchers knowledgeable in the field. These respondents were requested to comment on the content as well as the clarity of the questionnaire. The questionnaire items were amended as per the comments received during the pre-test.

The final version of the questionnaire was mailed or faxed to 177 ISO 9000 certified companies in Singapore and was addressed to the Management Representative of ISO 9000 program, HR manager, or other executive that senior management deemed suitable to respond. To improve the response rate follow-up calls were made two weeks after the questionnaires were sent out.

Results

One hundred seventy seven (177) questionnaires were sent out and 33 (18.6%) valid responses were received back. Of these responses, 28 were useable for the data analysis. The final sample consists of 19 companies from the manufacturing sector and nine from the non-manufacturing sector. In all, manufacturing companies make up 68 percent of the sample. Among them, 17 were privately owned (89.5 percent), while foreign

companies wholly owned the remaining two companies. A majority of the manufacturing companies (52.6 percent) had a turnover of between S$10.0 million to less than S$50.0 million in 1997, as compared to 11.1 percent for non-manufacturing companies in the sample. Four manufacturing companies reported having turnover over of S$100.0 million (21.1 percent). No non-manufacturing company reported the same level of turnover for that period. About 53 percent of the manufacturing companies and 56 percent of non-manufacturing companies reported having less than S$15 million in total fixed assets in 1997.

Among the 19 manufacturing companies, 17 (89.5 percent) were certified in the ISO 9002 standard. The percentage of non-manufacturing companies certified in the ISO 9002 standard was nearly the same (88.9 percent). The remainder of the sample companies were ISO 9001 certified. About 63 percent of the manufacturing companies and 78 percent of the non-manufacturing companies had hired a consultant to assist them in getting certified. About 21 percent of the manufacturing companies and 44 percent of non-manufacturing companies took about six months to receive certification, and 47 percent of the manufacturing companies and 66 percent of the non-manufacturing companies took about one year. In the non-manufacturing companies, the largest proportion (56%) of the employees reported to have secondary level education followed by tertiary level (18%). However, in the manufacturing companies about 38% of the employees have primary level education followed by secondary (32%) and then tertiary level (16%).

Impact Of ISO 9000 Certification On Training Needs Analysis

From the result of the t-test on the total sample it could be concluded that there was a significant increase in TNA after ISO 9000 certification (p= .00). Similar significant findings were found in the manufacturing sector (p=.001). The non-manufacturing sector was not significant (p=.247).

Impact of ISO certification on Training Design

The result of the paired t-test on the total sample indicated that that there was a significant increase in Training Design activities after ISO 9000 certification (p=.00). A similar significant impact was found in the case of the manufacturing sector (p=.00). However, the result indicated otherwise in the case of non-manufacturing sector (p=.53).

Impact Of ISO Certification On Training Delivery Methods

Seven indicators were used to measure the impact of ISO 9000 certification on Training Delivery Methods. When t-tests were conducted on the total sample, it was found that the ISO 9000 certification did have significant impact on each of the training delivery indicators (the *p* values ranged from .00 to .017) and therefore, the null hypothesis was rejected. Similar result was obtained in the case of the manufacturing sector (the *p* values ranged from .00 to .004). However, as in the earlier cases, no significant differences were found in the case of the non-manufacturing companies (the *p* values ranged from .104 to .622).

Impact Of ISO 9000 Certification On Training Evaluation

Four indicators were used to measure the impact of ISO 9000 certification on training evaluation. When t-tests were conducted on the total sample, they were found to have significant positive impact on training (p- values ranging from 0.000 to 0.002). Similar result was obtained in the case of the manufacturing sector (*p* values ranged from .00 to .006). However, as in the earlier cases, no significant differences were found in the case of the non-manufacturing companies (*p* values ranged from .104 to .447).

Impact Of ISO 9000 Certification On Human Resource Development Activities

Five indicators were used to measure the impact of ISO 9000 certification on human resource development:

- Average number of training hours per employee per year
- Average training hours per employee per year for different types of training
- Average percentage of payroll dollar spent on training
- Types of training provided in organizations
- Perceived benefits of ISO 9000 certification

When t-tests were conducted on the sample, the ISO 9000 certification showed significant impact on overall HRD activities (the *p* values ranged from .00 to .003). A similar result was obtained in the case of the

manufacturing sector (the *p* values ranged from .0 to .003). However, as in the earlier cases, no significant differences were found in the case of the non-manufacturing companies.

The sample companies reported an increase in the total training hours per employee per year at all levels of employees (that is, executives, mid-level managers, supervisors and front-line employees). Middle level managers and executives had the largest increase with 80.6 percent and 77.7 percent respectively. The aggregate change for manufacturing companies showed an increase of 67.7 percent. In case of non-manufacturing companies the results were different from those of the manufacturing sector. Training hours increased by 31 percent and three percent respectively in case of the front-line employees and mid-level managers. The hours declined in case of the executives and the supervisors. The combined sample however, showed increase in all levels of employees ranging between 27 percent and 50 percent. When the respondents were asked to indicate the possible reasons for such changes, about 43 percent of them indicated that the change was due to the implementation of ISO 9000 standard only. However, 39 percent said that the change was due to the shift of company policy other than ISO 9000 certification. The opinion varied between manufacturing and non-manufacturing.

In the manufacturing sector, average training hours per employee per year for different types of training increased for most categories of employees and for most types of training except for Technical Training and Production & Engineering. In both of these instances, the hours decreased for the supervisory staff and the front line employees. In the case of non-manufacturing, average training hours increased for most categories of employees and for most types of training except for technical training and product and quality training. In these two categories the hours either decreased or remained unchanged except for technical training for middle level managers, which went up by ten percent. Mixed result is observed when all the samples were considered together.

When the respondents were asked to indicate the reasons for the change in average training hours per employee per year for different types of training, 61 percent of the total sample indicated the change was due to the implementation of ISO 9000 Standard only whereas, another 25 percent stated that the changes were due to change of company policy other than ISO 9000 certification. Only seven percent indicated that the change in PSB/SDF incentive programs were the reason for such outcome. The opinion of the respondents varied between the manufacturing and service sector.

In the manufacturing sector, there was slight increase in average percentage payroll amount spent on training in the case of mid-level managers (0.1 percent) and the supervisors (0.4 percent). However, the amount spent declined in the case of the executives by about two percent but there was no change for the front-line employees. The picture in the non-manufacturing sector was however different from that of the manufacturing where the average percentage payroll amount spent on training increased for all categories of employees by between 2.5 percent to 3 percent.

When the respondents were asked to indicate the reasons for change in the percentage of payroll spent for training, 57 percent of the total sample indicated the change was due to the implementation of ISO 9000 Standard only whereas, another 18 percent stated that the changes were due to change of company policy other than ISO 9000 certification. The opinion of the respondents varied between the manufacturing and service sector. For example, 47 and 78 percent of the manufacturing and service organizations respectively indicated that the reason for the change was due to ISO 9000 certification.

During the implementation of the standard 95 percent of the manufacturing companies provided some form of ISO 9000 training for their executives. For non-manufacturing, 89 percent of the companies provided such training. All the responding companies did provide such training for their middle level managers. More than 90 percent (manufacturing 95 percent, non-manufacturing 100 percent) of the sample companies provided awareness training for their supervisory level employees. In case of the front line employees, 68 percent of the manufacturing and 100 percent of the non-manufacturing companies provided such training. Less than two-thirds of manufacturing companies (63.2 percent) and 100 percent of the non-manufacturing companies reported having their employees trained as 'Lead Auditor'. About 95 percent of the manufacturing companies and 89 percent of the non-manufacturing companies provided Internal Auditor training to its employees.

The respondents were asked to rate a number of statements regarding the possible advantages of ISO 9000 certification on a 5-point Likert-type scale (1= strongly disagree and 5=strongly agree). The statements were on training and development, competitive position, customer relationship, quality of products and services, training related record management, and on-the-job-training. The summary of the findings is reported below:

Training And Development. Based on the overall sample, 50 percent either agreed or strongly agreed that ISO certification helped improve their training and development processes. About 32 percent were undecided and the rest 18 percent disagreed with the statement. About 53 percent of the manufacturing and 44 percent of service organizations either agreed or strongly agreed with the statement. About 11 percent and 33 percent of the manufacturing and non-manufacturing respectively disagreed.

Competitive Position. Majority of the overall sample (83 percent) agreed or strongly agreed that ISO 9000 certification improved their competitive position, 14 percent were undecided and 2 percent disagreed. About 95 percent of the manufacturing and 56 percent of non-manufacturing organizations agreed with the statement.

Relationship With Customers. More than 90 percent of the respondents either agreed or strongly agreed that ISO 9000 certification improved relationship with their customers and only 7 percent were undecided. About 79 percent of the manufacturing and 100 percent of the non-manufacturing organizations agreed with the statement.

Quality Of Products And Services. Ninety-five percent of the sample organizations either agreed or strongly agreed that the ISO 9000 certification helped improve the quality of their products & services and the rest were undecided. All the manufacturing companies and about 78 percent of the non-manufacturing companies agreed with the statement.

Training-Related Records Management. About 75 percent of the sample either agreed or strongly agreed that ISO 9000 certification improved training-related records management, 21 percent were undecided and the rest four percent disagreed. About 79 percent of the manufacturing and 66 percent of non-manufacturing companies agreed with the statement.

On-The-Job Training. Only 65 of the organizations felt that ISO 9000 certification improved on-the job-training program and the rest 40 percent were undecided. About 69 percent of the manufacturing and 44 percent non-manufacturing companies agreed with the statement.

Summary and Discussion

In summary, from the results presented, a consistent pattern emerged. For all the five research questions significant improvements in training needs analysis, training design, training delivery, training evaluation, and human resource development activities were reported by the manufacturing organization but not in the case of the service organizations. In case of the manufacturing organizations, average training hours had increased for all types of employees whereas, for the service organizations the result was mixed. Slightly less than 50 percent of the respondents agreed or strongly agreed that the increase was due to the ISO 9000 certification. When probed into the different types of training, it was found that the average training hours for various types of training had gone up for both manufacturing and service sectors. About 60 percent of the respondents agreed or strongly agreed that the improvements were due to ISO certification.

Average percent of payroll amount spent also increased in both manufacturing and service sectors with the exception in the case of executives in the manufacturing. More than fifty percent (57 percent) of the respondents agreed or strongly agreed that the increase was attributable to the ISO certification.

Most of the sample organizations provided awareness training for all levels of their employees. 'Lead Auditor' training was provided by majority of these organizations. However, there was relatively less proportion of organizations (63 percent) in the manufacturing sector that provided 'Lead Auditor' training compared to the service sector (100%).

More than 75 percent of the respondents agreed or strongly agreed that ISO certification resulted in improved competitiveness, improved relationship with customers, improvement of quality of products and services and improvement in training related records. However, only 50 percent of the respondents agreed or strongly agreed that the certification helped improve the training and development process.

Significant improvements in training needs analysis, training design and delivery, training evaluation and HRD activities were reported in the manufacturing organizations. However, no such improvements were found in the service sector. Also there is some degree of agreement among the respondents that the improvements in the average training hours per employee and average percentage of payroll amount spent for training in the sample organizations were the outcome of ISO 9000 certification. Besides training related activities, the respondents also indicated that ISO 9000 certification helped their organizations derive benefits in a number of aspects i.e., improved competitiveness, improved relationship with customers, improved quality of products and services and improved management of training records.

McAdam and McKeown (1999), Sun (1999) and Quazi and Padibjo (1998) reported that ISO 9000 certification h elped improve relationship with customers, comply to customer requirements and reduce customer complaints which are in line with the finding of this study where 90 percent of the respondents agreed that such certification help improve relationship with customers. Findings of this study regarding the positive impact of ISO 9000 certification on competitive position correspond with those of Anderson et al.(1999) and Quazi and Padibjo (1998). However, this finding is in contradiction with that of Sun (1999) who argues that ISO 9000 certification has little influence on market position and competitiveness.

Finding of Quazi and Padibjo (1998) on improved training related records is similar to that of the present study. This is to be noted that improved management of quality records is one of the primary benefits of ISO 9000 certification and therefore, the finding is in consonance with the objective of the certification. Although McAdam and McKeown (1999) reported that the ISO 9000 certified companies had high levels of training activities but that does not necessarily mean that such activities have gone up as a result of ISO 9000 certification. Quazi and Padibjo (1998) on the other hand reported that lack of training of the employees was one of the barriers to ISO 9000 certification. However, findings of this study clearly indicate that such certification did help improve the training and human resource development activities of the responding organizations. Furthermore, between 40-60 percent respondents agreed that the average hours of training per employee per year and average percentage payroll amount spent on training had increased due to the ISO 9000 certification.

The finding of this study indicate that ISO certification help improve the quality of the products and services. Although ISO 9000 standard does not directly address the quality of the products and services, quality improvement may be the outcome of a well-managed system. According to Dalfonso (1995) the ISO 9000 standard is to produce a quality system within an organization which enables it to improve the way it currently does business, focus resources, document its processes, improve its customer relationship and satisfy customers and be involved in quality improvement. The quality system induces the management and employees to consciously trying to improve the quality of its products and services. Therefore, the finding of this study is consistent with the objective of the standard.

The manufacturing organizations showed significant improvements in all five phases of the systems approach when compared the levels of such activities between three years prior to and three years after the certification. In the case of service organizations, no significant differences were found. As no earlier studies reported any findings on this particular issue, it is not possible to specifically comment on the reasons for such result. The only possible reason that could explain the findings is that the sample size of the service organization in the sample was very small (N=9) and as such it may have affected the outcome of the statistical tests performed. Furthermore, the size of the organizations may have played a role in the kind of results obtained. A good discussion on the impact of ISO 9000 and organizational size could be found in Lee and Palmer (1999), Wiele and Brown (197-1998), Goh and Ridgway (1994) and Quazi et al. (in press). Due to the small sample size in this study no analysis using the organizational size and other related variables was attempted. Further studies in different countries with larger samples are suggested for the purpose of generalization of the results reported in this research.

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